

Title 46

PROFESSIONAL AND OCCUPATIONAL STANDARDS

Part LXVII. Real Estate

Subpart 2. Appraisers

Chapter 101. Authority

§10101. Adoption

A. The rules and regulations of the Appraisal Subcommittee of the Louisiana Real Estate Commission contained herein have been adopted pursuant to and in compliance with R.S. 37:3391 et seq. and any violation of these rules or regulations shall be sufficient cause for any disciplinary action permitted by law.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3391-3412.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, Real Estate Appraisal Subcommittee, LR 15:814 (October 1989).

Chapter 103. Certification

§10301. Applications

A. Application for Examination. Applications may be submitted for an initial residential or general appraiser examination prior to satisfying the experience requirement for certification. The applicant has three years from the date of passing the exam to complete the certification.

B. Requirements for Processing. Applications for examination must be notarized and accompanied by the prescribed fees.

C. Receipt of Applications. Every application must be received by the deadline set by the subcommittee. The responsibility for timely submission of applications rests solely with each individual applicant.

D. Admittance Ticket. Upon complying with the above requirements, an applicant shall be issued an admittance authorization. An applicant must present his authorization and photographic evidence of the applicant's identity before he may take the examination.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3391-3412.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, Real Estate Appraisal Subcommittee, LR 15:815 (October 1989).

§10303. Examination

A. Failure to Appear. Any applicant who fails to appear for an examination shall forfeit all fees. The executive director of the subcommittee may waive the second payment of such fees if it is demonstrated that factors beyond the control of the applicant prevented his appearance at the initially scheduled examination.

B. Disqualification. Any applicant who is disqualified, for any reason, from an examination shall forfeit all fees. He may reapply to take a subsequent examination, provided that he again remits all prescribed fees and obtains the approval of the subcommittee.

C. Failure. Any applicant who takes and fails to pass his initial examination shall forfeit all examination fees. He may reapply to take a subsequent examination, provided he remits a new examination fee and obtains a new admittance authorization to take the subsequent examination.

D. Partial Failure. Any applicant who takes an examination and passes only the uniform portion(s) or only the state portion shall be required to retake only that portion he failed to pass.

E. Reference Materials. Applicants may use silent non-printing calculating devices during examinations. Applicants may not have in their possession or utilize any reference material during examinations. Any applicant having in his possession or utilizing any reference material during an examination shall be immediately disqualified and asked to leave the examination center.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3391-3412.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, Real Estate Appraisal Subcommittee, LR 15:815 (October 1989).

§10305. Fees

A. Payment of Fees. The application will be accompanied by the appropriate fees as specified in R.S. 37:3407.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisal Subcommittee, LR 15:814 (October 1989), amended by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 21:1220 (November 1995).

§10307. Basic Education Requirement for Certification

A. Approved Courses. The subcommittee shall provide a list prescribing and defining the subjects related to real property appraisal that will satisfy the precertification educational requirements of R.S. 37:3399.A and B. The list shall include:

1. specific appraisal subjects to be mandatory requirements for residential and general certification and the minimum number of hours that must be completed in each

subject;

2. appraisal subjects to be designated as electives and the maximum number of hours of elective study acceptable toward residential and general certification; and

3. a comprehensive listing of acceptable course offerings, including providers and their addresses and telephone numbers.

B. Applicability. The subcommittee will consider, for approval, appraisal courses offered by the following:

1. appraisal organizations;
2. colleges and universities;
3. proprietary real estate schools approved by the LREC;
4. federal or state entities; and

5. proprietary schools registered with the Louisiana Proprietary School Commission, a division of the Louisiana State Department of Education.

C. Application. Education providers must apply directly to the subcommittee for course approval. Application forms will be provided by the subcommittee. Information to be submitted for each course offering shall include: course content, program structuring, course completion standards, instructor qualifications, minimum number of classroom hours, textbook and course materials, and any additional information as requested by the subcommittee.

D. Length of Approval. Upon approval by the subcommittee, courses will be listed on the approved course list for a period of one year. At its discretion, the subcommittee may elect to automatically extend approval beyond the initial one-year period or request updated course information prior to extending approval for another one-year period.

E. Additional Course Approval. Any applicant completing appraisal courses through providers not listed with the subcommittee must apply for and receive approval for such coursework prior to formal application for certification. The applicant must provide the agency with proof of course completion, number of classroom hours, examination requirement, detailed course content, and any additional information on the subject matter to permit the agency to render an informed decision on the request.

F. Course Monitoring. As a condition for approval, education providers listed on the approved course list must agree to periodic monitoring of courses by the subcommittee or its authorized representative(s).

G. Withdrawal of Approval. The subcommittee reserves the right to withdraw approval and remove, from the approved course list, a course and/or the education provider for the course upon finding that the course fails to meet minimum standards of approval endorsed by the Appraiser Qualifications Board of the Appraisal Foundation as established by the Federal Financial Institutions Examination

Council or its successors. A withdrawn approval may not be reinstated for at least a two-year period.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisal Subcommittee, LR 15:815 (October 1989), amended LR 16:1055 (December 1990), February 1992, LR 18:599 (June 1992).

§10309. Applicant Filing

A. Course Log. Applicant identifies on a log the course name, site, date attended, appropriate category (either general or residential), hours, sponsoring organization.

B. Courses Assigned by Category. Courses for securing a national designation shall be assigned to the category in which the designation is assigned. All other courses shall be assigned a category by the subcommittee.

C. Proof of Attendance. Proof of attendance or award of designation shall be provided by the applicant.

D. Prior Coursework Required. It is the applicant's responsibility to be prepared and knowledgeable in the content areas described in the exam outline for each certification. Prior completion of all coursework is required as a prerequisite for taking the exam.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3391-3412.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, Real Estate Appraisal Subcommittee, LR 15:816 (October 1989).

§10311. Experience Credit

A. The subcommittee shall consider for experience credit toward state appraiser certification:

1. appraisals substantially consistent with the standards of professional practice; and
2. appraisals performed within the five years immediately preceding the filing of the application for certification.

B. Applications for experience credit shall only be accepted from individuals who have:

1. met the educational requirement for the type of certification applied for; and
2. passed a national examination or its equivalent, endorsed and approved by the Appraiser Qualifications Board of the Appraisal Foundation as established by the Federal Financial Institutions Examination Council or its successors.

C. In cases where the applicant has obtained the required experience, but, has failed to meet the standards as outlined in R.S. 37:3410, and more specifically, as set forth in the "Uniform Standards of Professional Appraisal Practice," or its successor, as approved by the Appraisal Subcommittee of the Federal Financial Institutions Examination Council, or its successor, said applicant can obtain additional educational

training in the deficient area, prior to receiving subcommittee approval for certification. Such educational training shall consist of not less than 15 or more than 30 classroom hours of coursework approved by the subcommittee.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisal Subcommittee, LR 15:816 (October 1989), amended LR 17:649 (July 1991).

§10313. Residential Certification Minimum Experience

A. Points Required Per Year. Each year of experience shall require proof of completion of at least 100 points of approved appraisals. A total of 200 points is required for residential certification.

B. Residential Appraisals Counted. Only appraisals of single-family, one to four unit residential property, or vacant sites for single-family or farm/timber acreage which included the valuation of a single-family house(s) shall count as residential experience.

C. Two Years Experience. A minimum of two calendar years experience shall be required for certification. All experience points cannot be earned in one calendar year.

D. Residential Appraisal Points. Residential appraisal points shall be awarded as follows.

1. one unit dwelling (including a site)	1 point
2. two to four unit dwelling	2 points
3. residential lot (1-4 family)	1/2 point
4. residential subdivision sites (NOT TO EXCEED FIVE POINTS)	1/2 point per lot
5. appraisal instruction of an approved residential course of 20 classroom hours or more (NOT TO EXCEED 16 POINTS PER YEAR)	4 points
6. farm or timber acreage suitable for	
a house site less than 10 acres	1 point
10 to 100 acres	2 points
over 100 acres	3 points
7. all other unusual structures, acreages, acreages which are much larger or more complex than typical properties described herein items 1 to 4 and 6	submitted to subcommittee for determination 1/2 to 5 points
8. residential appraisal textbook authorship (NOT TO EXCEED 20 POINTS PER YEAR)	submitted to subcommittee for determination
9. residential journal articles in journals of approved national appraisal organizations (NOT TO EXCEED 20 POINTS PER YEAR)	10 points

THE CUMULATIVE POINTS FROM ITEMS 5, 8 AND 9 SHALL NOT EXCEED 50 PERCENT OF THE CUMULATIVE RESIDENTIAL POINTS.	
10. Review of appraisals shall be worth 20 percent of the points awarded to the appraisal.	
11. rural residence—one unit primary dwelling, 10 acres or less	1 point
12. ranchette—part time rural use 10 to 25 acres with main dwelling and outbuildings such as additional residence, barns or other outbuildings	3 points

E. Appraisal Affidavits

1. Proof of appraisal affidavit will be submitted by the applicant as a notarized affidavit to include subject property address (street, lot, square, subdivision, parish) date of appraisal report, property type (including units, lots, acres), gross building area, and client (name, contact person, address and telephone number), purpose of report with a tally of the points being requested by the applicant and any other information deemed appropriate by the subcommittee.

2. Verification of experience can include any or all of:

a. client verification of report at discretion of the subcommittee;

b. submission of selected reports to the subcommittee upon request as part of certification process where the report remains the property of the appraiser;

c. field inspection of all reports identified by the applicant at their offices during normal business hours.

3. Statement specifying the applicant agrees to R.S. 37:3399(D) shall appear prominently on the application.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisal Subcommittee, LR 15:814 (October 1989), amended LR 16:493 (June 1990), LR 17:649 (July 1991), LR 18:600 (June 1992).

§10315. General Certification Experience

A. Points Required Per Year. Each year of experience shall require proof of completion of at least 100 points of appraisals. A total of 300 points is required for general certification.

B. Residential Experience Limited. No more than one year of residential experience shall be applied for credit toward a general certification.

C. Three Years Experience Required. Three years experience shall be required for a general certification, of which at least two years experience shall be on non-residential property.

D. General Appraisal Points. General appraiser points shall be awarded as follows:

1. Apartments	
5 - 20 units	4 points
21 -100 units	8 points
over 100 units	10 points
2. Hotels/Motels	
50 or fewer units	6 points
51 -150 units	8 points
over 150 units	10 points
3. Meeting, conference or auditorium	
20,000 square feet or less	4 points
over 20,000 square feet	6 points
4. Industrial or warehouse building	
20,000 square feet or less	4 points
over 20,000 square feet	8 points
over 100,000 square feet, multiple tenants	10 points
5. Office buildings	
10,000 square feet or less	6 points
10,001 square feet or more	8 points
10,001 square feet or more, multiple tenants	10 points
6. Condominium residences with income approach to value	
5 to 30 units	6 points
31 or more units	10 points
7. Retail buildings	
10,000 square feet or less	6 points
over 10,000 square feet, single tenant	8 points
over 50,000 square feet, multiple tenants	10 points
8. Acreage of nonresidential land for commercial or multiple family use	
less than 10 acres	3 points
100 acres or more	6 points
100 acres or more with income approach to value	8 points
9. Timber or farm acreage	
100 to 200 acres	3 points
over 200 acres	6 points
over 200 acres with income approach to value	8 points

10. All other unusual structures which are much larger or more complete than the typical properties described herein items (a) - (i)	submitted to subcommittee for determination 1 to 15 points
11. Reviews of appraisals shall be worth 20 percent of the points awarded to the appraisal.	
12. Appraisal instruction of an approved general course, 20 classroom hours or more in length (NOT TO EXCEED 20 POINTS PER YEAR)	10 points
13. Appraisal textbook authorship in general appraisal topics (NOT TO EXCEED 20 POINTS PER YEAR)	submitted to subcommittee for determination
14. General field journal articles in journal of an approved national appraisal organization (NOT TO EXCEED 20 POINTS PER YEAR)	10 points
THE CUMULATIVE POINTS FROM ITEMS 12, 13 AND 14 SHALL NOT EXCEED 50 PERCENT OF THE CUMULATIVE GENERAL POINTS.	
15. No more than 40 percent of the cumulative points may be earned from any one category items (a) - (j). The applicant may request the waiver of this requirement for unique depth of experience in a single area.	
16. Pasture or Grazing Enterprises	
25-50 acres	1 Point
50-100 acres	2 Points
100-500 acres	3 Points
500-2,000 acres	6 Points
2,000 acres or more	8 Points
17. Row Crop Enterprises	
25-50 acres	2 Points
50-100 acres	3 Points
100-500 acres	4 Points
500-2,000 acres	6 Points
2,000 acres or more	10 Points
18. Orchard, Vineyard, and Plant Nursery Enterprises	
0-50 acres	2 Points
50-100 acres	4 Points
100-500 acres	6 Points
500-2,000 acres	8 Points
19. Aquaculture Enterprises	
0-50 acres	4 Points
50-100 acres	6 Points
100-500 acres	8 Points

500-2,000 acres	10 Points
20. Truck Farm Enterprises	
0-50 acres	2 Points
50-100 acres	4 Points
100-500 acres	6 Points
500-2,000 acres	8 Points
21. Dairy Enterprises	
0-50 cow milking herd	4 Points
50-100 cow milking herd	6 Points
100 and over cow milking herd	8 Points
22. Diversified agricultural operations of over 500 acres involving two or more of the above enterprises; assuming multiple disciplines are exhibited in the report	10 Points
23. Specialized agricultural properties	submitted to subcommittee for determination
24. No more than 40 percent of the cumulative points may be earned from any one category (items 16-23). The applicant may request a waiver of this requirement for unique depth of experience in a single area.	
25. Timber and Timber Land Appraisals	
40-100 acres	2 Points
100-500 acres	3 Points
500-2,000 acres	5 Points
2,000-10,000 acres	7 Points
Over 10,000 acres	submitted to subcommittee for determination

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisal Subcommittee, LR 15:814 (October 1989), amended LR 16:494 (June 1990), LR 18:600 (June 1992).

§10317. Reviewers

A. **Separate Form for Reviews.** Reviews shall be identified on a separate listing all the information in item six plus the purpose of the review and agency supervisor for the unit requesting the review (address and telephone number).

B. **Points Associated with Review.** Twenty percent of the points associated with report shall be awarded to the reviewer.

C. **Review Requirements.** The review must meet the requirements listed below.

1. In reviewing an appraisal, an appraiser must observe the following specific guidelines:

a. identify the report being reviewed, the real estate and real property interest being appraised, the effective date of the opinion in the report being reviewed, and the date of the review;

b. identify the scope of the review process to be conducted;

c. form an opinion as to the adequacy and relevance of the data and the propriety of any adjustments to the data;

d. form an opinion as to the appropriateness of the appraisal methods and techniques used and develop the reasons for any disagreements;

e. form an opinion as to the correctness and appropriateness of the analyses, opinions, and/or conclusions in the report being reviewed and develop the reasons for any disagreement;

f. state in the letter of transmittal whether or not exterior or interior building inspections were made and, if so, when and by whom;

g. the review must be in writing and include items in §10317.C.1.a - f.

2. In reporting the results of an appraisal review, an appraiser must:

a. disclose the nature, extent, and detail of the review process undertaken;

b. disclose the information that must be considered in §10317.C.1.a and b;

c. set forth the opinions, reasons, and conclusions required in §10317.C.1.c, d, and e.

3. No pertinent information shall be withheld.

4. In reviewing an appraisal and reporting the results of that review, an appraiser must separate the review function from any other function.

D. **Maximum Points for Review.** No more than 20 points for reviewing in any one year shall be awarded as experience credit.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3391-3412.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, Real Estate Appraisal Subcommittee, LR 15:818 (October 1989).

§10319. Co-signed Reports, Reviews, Articles and Textbooks

A. **Prorata Number of Points.** The prorata number of points of each co-signed report, review, article and textbook shall be awarded to each signer of the report.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3391-3412.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, Real Estate

Appraisal Subcommittee, LR 15:818 (October 1989).

Chapter 105. Investigations and Adjudicatory Proceedings

§10501. Investigations

A. The subcommittee may, upon its own motion, and shall upon the verified complaint in writing of any person, investigate the actions of a certificate holder, or any person who assumes to act as such. Written complaints shall bear the original signature of the complainant or that of his legal representative before any action will be taken thereon by the subcommittee.

B. Upon documented probable cause and with the concurrence of the subcommittee attorney, or, in his absence, the chairman of the subcommittee, the executive director of the subcommittee may issue written authorization to investigate apparent violations of the Louisiana Certified Real Estate Appraisers Law and/or the rules and regulations of the subcommittee.

C. If during the conduct of an investigation documented probable cause is established indicating that violations of the Louisiana Certified Real Estate Appraisers Law and/or the rules and regulations of the subcommittee have been committed by any certificate holder other than the certificate holder against whom the original complaint was made, the additional certificate holders may be added as respondents to the investigation in the absence of any written complaint alleging such violations.

D. Investigations alleging violations of the Louisiana Real Estate Appraisers Law or the rules and regulations of the subcommittee shall be investigated by the staff of the Louisiana Real Estate Commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisal Subcommittee, LR 18:145 (February 1992).

§10503. Technical Assistance

A. In any investigation conducted by the staff of the Commission, the chairman of the subcommittee may be requested to assign a member of the subcommittee to provide technical assistance to the investigator conducting the investigation.

B. In any investigation conducted by the staff of the Commission involving alleged violations of the standards for the development and communication of appraisals the chairman of the subcommittee shall assign a member of the subcommittee to provide technical assistance to the investigator in the conduct of the investigation.

C. When a member of the subcommittee has been assigned to provide technical assistance to a Commission investigator, the member shall review the findings and recommendation

resulting from the investigation and a written certification of the review signed by the subcommittee member will be provided to the Commission investigator and appended to the report of investigation.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisal Subcommittee, LR 18:145 (February 1992).

§10505. Cooperation

A. Every certificate holder shall cooperate fully with and answer all questions propounded by Commission personnel conducting an investigation for the subcommittee.

B. Every certificate holder shall produce any document, book, or record in the certificate holder's possession, or under his control, concerning any matter under investigation by Commission personnel conducting an investigation for the subcommittee.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisal Subcommittee, LR 18:145 (February 1992).

§10507. Adjudicatory Proceedings

A. When, as a result of an investigation, it appears that violations of the Louisiana Certified Real Estate Appraisers Law may have been committed by a certificate holder, the violations may be adjudicated through informal or formal adjudicatory proceedings.

B. Informal Adjudicatory Proceedings. The complaint may be concluded informally without a public adjudicatory hearing on the recommendation of the hearing examiner of the Commission with the concurrence of the executive director if the respondent agrees in writing to such informal action.

1. If the respondent does not agree in writing to the resolution of the complaint through informal proceedings the apparent violations will be referred to the subcommittee along with a recommendation for a public adjudicatory hearing.

2. A three-member panel consisting of the subcommittee attorney, the hearing examiner for the Commission and the Commission case investigator will be appointed by the executive director to conduct the informal proceedings. When the matter before the panel involves a case wherein technical assistance has been provided by a subcommittee member, the member of the subcommittee who participated in the investigation shall serve as a voting member of the panel. The panel will review the details of the complaint and the allegations with the respondent and arrive at a finding. During the informal proceedings witnesses may be called but no subpoenas will be issued and no formal transcript of the proceedings will be prepared by the subcommittee. Statements made during the informal proceedings may not be introduced at any subsequent formal adjudicatory hearings without the

consent of all parties to the informal proceedings.

3. If as a result of the informal proceedings it is determined by the panel that violations were not committed as alleged, a written report of such findings will be submitted to the executive director for review and placement in the investigative file. The adjudicatory proceedings will be terminated without recourse to the subcommittee.

4. If as a result of the informal proceedings it is determined by a majority of the panel that violations have been committed as alleged, the panel may enter into a recommended consent order with the respondent to include any sanctions authorized. In any such consent order the respondent must acknowledge the findings of the panel in writing, accepting the recommended sanctions, and waiving any rights to request a rehearing, reopening or reconsideration by the panel or hearing by the subcommittee, and the right to a judicial review of the consent order.

5. If the respondent does not agree with the findings of the panel and the sanctions recommended, the apparent violations will be referred to the subcommittee along with a recommendation for a public adjudicatory hearing.

6. If the respondent does agree with the findings of the panel and the sanctions recommended, the panel will, within five days, submit a written report of the findings and recommendations to the executive director for review. If for any reason the executive director is unavailable to review the actions of the panel, the subcommittee attorney will conduct the review.

7. If a complaint is concluded by the informal procedure, the executive director, or the hearing examiner for the Commission, shall submit the consent order to the subcommittee at the next regular meeting for approval and authorization for the executive director to execute the consent order in the name of the subcommittee.

8. The actions of the subcommittee relative to all consent orders shall be noted in the minutes of the meeting at which the consent order is approved and authorization is

granted to the executive director to execute the order in the name of the subcommittee.

9. Any consent order executed as a result of informal proceedings shall be executory on the date approved by the subcommittee.

C. Formal Adjudicatory Proceedings. All formal public adjudicatory hearings shall be conducted under the auspices of R.S. 37:3409 and Chapter 13 of Title 49 of the Louisiana Revised Statutes.

1. Subcommittee members who have provided technical assistance in any matter being adjudicated at formal adjudicatory proceedings will recuse themselves and not participate in any portion of the proceedings.

2. The order issued by the subcommittee pursuant to any formal public adjudicatory proceeding shall become effective 11 days from the date the order published by the subcommittee is received by the respondent certificate holder or on the date the notice of denial of a request for rehearing, reopening, or reconsideration of the decision or order by the agency is received by the respondent certificate holder.

3. The filing of a petition for judicial review by a respondent certificate holder does not itself stay enforcement of an order by the subcommittee. A stay of enforcement will be granted only when directed by the court conducting a judicial review of adjudication.

D. Costs of Adjudicatory Proceedings. On a finding that a respondent has committed the violations as alleged in any formal or informal adjudicatory proceedings, the subcommittee may assess the respondent the administrative costs of the proceedings, as determined by the subcommittee. Payment of these costs shall be a condition of the reinstatement of any certificate issued by the subcommittee.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisal Subcommittee, LR 18:145 (February 1992).